CITY COUNCIL REPORT PUBLIC

DATE:

September 1, 2016

TO:

Mayor and Council Members

FROM:

Daniel Folke, AICP, Planning Director Pur-

CC:

Josh Copley, Barbara Goodrich, Mark Landsiedel

SUBJECT: Medical Marijuana Licensing

State Dispensary Licenses

In 2012, the State of Arizona issued dispensary licenses based on Community Health Analysis Areas (CHAA). Each of the 126 CHAAs represent a population between 10,000 and 100,000 and were eligible for one dispensary license. There are three within Coconino County; Flagstaff east, Flagstaff west and Flagstaff rural. Each of these three CHAAs currently has one medical dispensary licensed within it.

Earlier in 2016 the State of Arizona Department of Health Services announced it would be accepting dispensary registration certificate applications from July 18 to July 29, 2016 for 31 new medical marijuana dispensary licenses. The state announced it would issue the 31 new licenses to qualifying applications located within a CHAA based on a codified allocation process. First, any county that does not currently have a dispensary will be allocated a license. Then, if any licenses remain, the CHAAs with the most qualifying patients who reside within the CHAA will be allocated licenses. Because there are no open counties, the new licenses will be allocated to the CHAAs with the highest number of qualifying patients.

In June, the state released a list of the top 31 CHAAs that are eligible for an additional dispensary license. None of the three Flagstaff CHAAs are within the top 31. Thus, the Flagstaff CHAAs would only be eligible for an additional dispensary license if there are no qualifying applications in one or more of the top 31 CHAAs, which is unlikely. If there are no qualifying applications within one or more of the top 31 CHAAs, the state will go down the list to the next ranked CHAA. Since the state only released a list of the top 31 CHAAs, we do not know where the Flagstaff CHAAs actually rank. However, at this time, it is unlikely that additional dispensary licenses will be issued within the City of Flagstaff.

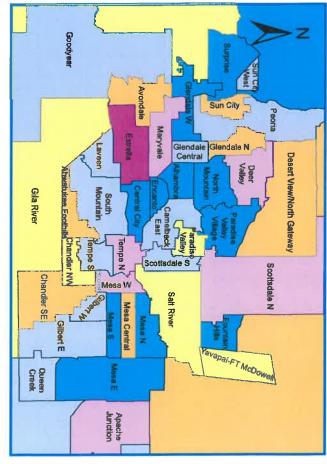
A map of the 126 CHAA's and the list of the top 31 CHAAs eligible for a new medical marijuana dispensary license are attached to this report.

Flagstaff Zoning Regulations

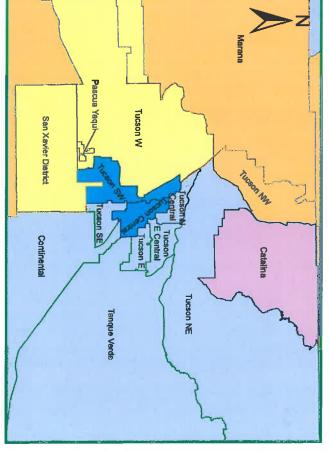
All dispensary locations must comply with local zoning regulations. The City of Flagstaff has application and location requirements for Medical Marijuana Dispensaries and Cultivation locations and are found in Title 10-40.60.220. The application requires information on the non-profit medical marijuana board members and officers, notarized certification that the board members and officers do not have a felony conviction, a security plan and a site plan demonstrating the business meets all of the location standards. Location standards require a minimum separation distance of 2,000 feet from another medical marijuana business, 500 feet from a substance abuse treatment facility, 500 feet from a college, university, schools and educational facilities, 500 feet from a daycare, 500 feet from a public library or public park, and 500 feet from a family recreation or entertainment facility.

Buillhead City Fort Mohave 0 2-5 10-13 -Yuma S WN BUT Quartzsite/Salome Applications **Dispensary** Number of Kingman 6 - 9 Wellton/ Deteland **Medical Marijuana Dispensary** Littleffeld Maricopa Co. W 14 - 16 Applications, by CHAA Ą Karbab Tohono O'Odham Nation Maricopa Co. N Florence Payson Hopi Nation Navajo Nation White Mountain Apache San Carlos Apache Holbroot Map Date: 6/12/2012 Graham Co. S Arizona Arizona Department of Health Services Tombstone/Elfrida **Willcox/Bowle** > Douglas Duncan/Morenci Goodyear

Metro Phoenix



Metro Tucson





June 16, 2016

Top 31 CHAAs prioritized under R9-17-303(B)(2)

Rank	CHAA	CHAA ID
1	Paradise Valley Village	46
2	North Mountain	52
3	Deer Valley	44
4	Chandler SE	80
5	Scottsdale N	40
6	Camelback East	56
7	Peoria	41
8	Gilbert E	77
9	Mesa E	65
10	Scottsdale S	58
11	Surprise	47
12	Tanque Verde	106
13	Tucson NE	105
14	Tempe N	68
15	Mesa W	69
16	Tempe S	74
17	Maryvale	60
18	Alhambra	59
19	Yavapai Co. NE	26
20	Superior/Kearny	93
21	Chandler NW	79
22	Tucson E Central	109
23	South Mountain	71
24	Glendale N	45
25	Desert View/North Gateway	42
26	Mesa Central	70
27	Ahwatukee Foothills	78
28	Maricopa Co. W	51
29	Lake Havasu City	8
30	Mesa S	73
31	Apache Junction	92

Douglas A. Ducey | Governor Cara M. Christ, MD, MS | Director

F | 602-542-1062